

Message Text

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ORIGIN EB-07

INFO OCT-01 AF-10 ISO-00 TRSE-00 COME-00 OPIC-03 FEA-01
ERDA-05 AID-05 CEA-01 CIAE-00 EPG-02 DODE-00
FPC-01 H-01 INR-07 INT-05 L-03 NSAE-00 NSC-05
OMB-01 PM-04 USIA-06 OES-07 SP-02 SS-15 STR-04
ACDA-07 /103 R

DRAFTED BY EB/IFD/OIA:DVGRANT
APPROVED BY EB/IFD/OIA:RJSMITH
AF/W:ESVENDSEN (DRAFT)
AF/EP:WHITE (DRAFT)
TREASURY:HSHAPIRO (INFO)
COMMERCE:JSEVER (INFO)
-----020252Z 029532 /64
R 011957Z JUN 77
FM SECSTATE WASHDC
TO AMEMBASSY MONROVIA

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E.O. 11652: N/A

TAGS: EINV, LI

SUBJECT: LIBERIA REFINING (COMPANY LRC)

REFS: (A) MONROVIA 3419, (B) MONROVIA 3430

1. AT ITS MONTHLY MEETING HELD MAY 26, INTERAGENCY EXPROPRIATION GROUP CONSIDERED SITUATION CREATED BY SUN AND DYNALLECTRON CLAIM OF GOL EXPROPRIATION OF THEIR INTERESTS IN LRC. CONSENSUS OF GROUP WAS THAT CONSIDERABLY MORE INFORMATION ON BACKGROUND OF DISPUTE WAS REQUIRED BEFORE DETERMINATION COULD BE MADE WHETHER EXPROPRIATION HAS TAKEN PLACE. QUESTIONS WERE PARTICULARLY RAISED WITH
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REGARD TO BASIS FOR VALUATION USED BY PARTIES CONCERNED, AND WHETHER APPARENT LACK OF PROFITABILITY DUE TO ECONOMIC CONDITIONS OR TO GOL PRICING POLICIES. ACCORDINGLY GROUP DECIDED TO REQUEST EMBASSY TO OBTAIN ADDITIONAL INFORMATION FROM GOL CONCERNING ITS VIEWS ON DISPUTE. DEPARTMENT ALSO PLANS TO INVITE REPRESENTATIVES OF U.S. FIRMS TO PRESENT ADDITIONAL DOCUMENTATION AND EXPLANATION OF

THEIR EXPROPRIATION CLAIM.

2. ACTION REQUESTED: EMBASSY SHOULD APPROACH APPROPRIATE GOL OFFICIAL WITH REQUEST TO PROVIDE DETAILS WITH RESPECT TO ITS PRICING POLICIES, PARTICULARLY WHETHER APPROVED

PRICE CALCULATED TO INCLUDE PROFIT MARGIN. WE WOULD ALSO APPRECIATE INFORMATION ON BASIS FOR GOL OFFER OF DOLS 1.5 MILLION FOR LRC ASSETS. EXPLANATION OF GOL'S VALUATION OF LRC ASSETS AND LIABILITIES WOULD BE USEFUL. IF ASKED, EMBASSY SHOULD STATE THAT WE ARE NOT TAKING POSITION ON MERITS OF DISPUTE AT THIS TIME, BUT MERELY SEEKING ADDITIONAL INFORMATION WITH REGARD TO POSITIONS OF BOTH PARTIES.

3. DEPARTMENT WOULD APPRECIATE EMBASSY'S ANALYSIS OF LRC SITUATION PROMISED REF (B), WHICH WOULD BE MOST TIMELY AND USEFUL. EMBASSY MAY WISH TO PROVIDE ITS COMMENTS ON COMPANIES' CLAIM THAT LRC WAS NEVER ALLOWED TO OPERATE AT PROFIT BECAUSE OF GOL PRICING POLICIES. HABIB

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, NATIONALIZATION, REFINERIES
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: DVGRANT
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770195-1201
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197706101/aaaadkuq.tel
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Litigation Code IDs:
Litigation Codes:
Litigation History:
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Original Classification: LIMITED OFFICIAL USE
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Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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SAS ID: 1999615
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Status: NATIVE
Subject: LIBERIA REFINING (COMPANY LRC)
TAGS: EINV, ENRG, LI, LRC
To: MONROVIA
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/eddb0773-c288-dd11-92da-001cc4696bcc
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